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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/360,422	07/23/1999	JAY S. WALKER	WD2-99-004	4171

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EXAMINER
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ZURITA, JAMES H

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 08/19/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/360,422

Applicant(s)

WALKER ET AL.

Examiner

James Zurita

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-- The MAILING DATE of this communication appears on the cover sheet with the corresponding address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 17 May 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-118 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-118 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).  
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) \_\_\_\_\_ 6) ☐ Other: \_\_\_\_\_

## **DETAILED ACTION**

### ***Response to Amendment***

In a First Office Action, claims 1-118 were rejected under 35 U.S.C. 102(e) as being anticipated by Walker et al. (U.S. Patent 6,138,105).

Applicants traversed rejection and amended their disclosures to state that the present application is a Continuation-in-Part of commonly owned application 09/085,424 filed 27 May 1998 and issued on 24 October 2000 as US Patent 6,138,105.

### ***Response to Arguments***

Applicant's arguments with respect to claims 1-118 have been considered but are moot in view of the new ground(s) of rejection.

### ***Claim Objections***

Claim 48 is objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim. Applicant is required to cancel the claim(s), or amend the claim(s) to place the claim(s) in proper dependent form, or rewrite the claim(s) in independent form. Claim 48 is improper because infringement of computable-readable media of claim 48 does not require performing any positive acts in claim 47 such as (a) indicating an interest in a primary product; (b) in response to indicating an interest in the primary product, being presented with a package offer to purchase a package at a package price, the package comprising the primary product and at least one secondary product; and (c) providing a customer

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response comprising an account identifier and an indication of an acceptance of the package offer, the acceptance of the package offer authorizing a charge to a financial account identified by the account identifier for the amount of the package offer price.

See MPEP 608.01(n), Section III.

### ***Double Patenting***

The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. See *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and, *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent is shown to be commonly owned with this application. See 37 CFR 1.130(b).

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

Claims 1, 62, 87-95, 101, 102 are rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claim 1 of U.S. Patent No. 6,249,772 to Walker et al. Although the conflicting claims are not identical, they are not patentably distinct from each other because both claims are directed to buyer/seller transactions, first/second/settlement prices, central controller/purchasing system and the manufacturer/seller need not be the same entity.

Claims 1, 47, 73 are rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claim 1 of U.S. Patent No. 6,298,331 to Walker et al. Although the conflicting claims are not identical, they are not patentably distinct from each other because both claims are directed to buyer/seller transactions, purchase price/minimum price, retail price, central controller/purchasing system and the manufacturer/seller need not be the same entity.

In addition, while applicant uses the terms such as settlement price (to describe a derived price), first, second price, there is no basis for attributing particular qualities to each. Other terms that might be used include factory price, ultimate price, product retail price, distribution price, customer price, private price, public price, buyer's price, producer price, manufacturer price, merchant price, merchandise price, product price, seller's price, maximum profit price, minimum retail price, final net price, store set price, product and service price, etc. For example, first and second price may alternatively be referred to as  $p(n)$ ; additional amounts and values and prices may be referred to as  $p(n+1)$ , etc. Ultimately, a computer will store a value in a field and use the value for calculations. The computer does not care what the field is called; it is up to a computer programmer

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to make sure that fields are used according to their roles and functions. Similarly, subsidies may alternatively be referred to as tokens, points, coupons, discounts, rebates, pseudo card, promotions, incentives, bonus, redemption amounts, etc. A product may also be called an item, a thing, a good, a widget. A package may be called a family, a complementary combination, a basket, a group. Synonyms for customer may include user, consumer, buyer, purchaser, etc. Synonyms for retailer may include merchant, vendor, seller, etc. The number of different names that may be used is limited only by a marketing department's collective imagination.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-118 are rejected under 35 U.S.C. 103(a) as being unpatentable over Chelliah et al. (US Patent 5,710,887).

Chelliah discloses an interactive web-based electronic business system that includes virtual shopping carts, electronic payment mechanisms (see at least Col. 1, lines 28-47; Col. 8, lines 34-64). Chelliah shows that items may have retail prices and discounts (see at least references to Sales Representative Program Object, Col. 10, lines 44-Col. 11, line 20; and transactions and Pricing Engine, in at least Col. Col. 14, line 40-Col. 17, line 21).

The system detects a customer's interest based on a customer's request for information concerning a primary item. The system retrieves details about a primary item from a database and displays them to a customer. The system creates a package by presenting details concerning one or more secondary items that may be related to the primary item. The primary item's details may include the item's unique identifier, retail price, description, merchant, percent discount, etc. The details for the additional, secondary items may include those items' unique identifiers, merchant, their retail prices, applicable discounts, description, etc. (See at least Col. 3, lines 5-45 and various references to various types of prices, and at least Col. 12, lines 28-50, Col 18, line 24-Col. 19, line 26, and others concerning various types of derivable discounted prices for one or more items).

Chelliah discloses that a primary item in the database may be related to one or more secondary items in at least the following well-known ways:

- Items sold may be related as being shares in similar industries, or shares in the same company, or as being shares in companies of the Fortune 500 index or of the Dow Jones Industrials list used to calculate the Dow Jones Index. Shares may be related in that they form part of a customer's portfolio. See at least Col. 5, line 55-Col. 6, line 25.
- Items may be related in that the different items are sold by the same merchant based on demographic information collected by the mall or store Frequent buyer/flyer programs. Stores may use customer data may to let customers accumulate points that may be translated into percentage discounts of specified

products and retail prices. (See at least references to demographics, in at least Col. 12, lines 30-50; point-based frequent buyer programs, at least in Col. 7, lines 16-30; Col. 20, line 30-Col. 28, line 17).

- Items may be related in that they are both subject to in-store discounts, or coupons or other incentives offered by a merchant or a mall. A first item and a secondary item may be related in that their prices are discounted based on in-store discounts (see at least Col. 6, line 50-7, line 64; See also at least references to business rules, effective dates of various discounts, and discount programs defined by a merchant (see at least Col. 1, line 28-Col. 7, line 64).
- Chelliah provides several other examples, including “Buy 1, get 1 free.” (Col. 27, line 21-Col. 28, line 17). Thus, packages may also be created in other well-known combinations. In the following examples, discount may be from 0% to 100% of an item. Where a discount is 0%, the item is full-priced; where a discount is 100%, the item is free. Similarly, package prices and discounts may involve item-specific discounts based on points (such as in frequent-buyer or frequent-flyer programs). Alternatively, package prices and discounts may involve item-specific flat amount discounts.
  - Buy 1 discounted item **a** of merchant **A**, get 1 discounted item **a** of merchant **A**. Example: buy 1 pen [5% discount], get a second pen [discounted 100%] free.
  - Buy 1 discounted item **a** of merchant **A**, get 1 discounted item **b** of merchant **A**. For Example, buy 1 \$500 dress [10% discount], get 20% discount from a



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pair of shoes. Another example may include discounts of perishable goods:

Buy 5 lbs of bananas, reduced by 10%, and get 3 lbs of avocados, reduced by 10%. Another example may include downloadable or in-store discounts:

Buy 1 Michael Jackson CD [reduced by 50%], get 3 additional Michael Jackson CD's [each reduced 75%].

- o Buy 1 discounted item **a** of merchant **A**, get 1 discounted item **b** of merchant **B**. Example: buy 1 \$500 dress [15% discount], get 20% discount for dinner at a local restaurant.

Chelliah discloses various types of price discounts for items, including discounts applicable on each of a combination of items, where each item has a unique identifier in a database (Col. 22, lines 63-Col. 23, line 3). The discount programs may be based on promotions, incentives, time-intervals, related items, in-store sales, coupon-based, frequent-buyer programs, quantity-related (see at least Ch, Col. 7, lines 17-23).

Chelliah discloses that an item may be sold by one of multiple merchants and that the system may store a list of all items selected by a customer as well as a reference to the merchant of each item. Chelliah also discloses that items for a package may be composed of items from one or more merchants (see at least references to customer interaction with number of merchants. See at least Col. 3, lines 47-56, Col. 6, lines 4-57; Col. 27, line 50-Col. 28, line 17).

Chelliah teaches various ways to determine a package's price, including:

- At an item level - varying an item's price over time or when an item is offered in combination with other items (see at least references to predicate segments,

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which may establish duration applicability of pricing rules (see at least Col. 22, lines 9-63; see also at least references to total price returned to a customer, in at least Col. 12, lines 28-50; see at least references to pricing rules, types of adjustments, etc., in at least Col. 20, line 43-Col. 22, line 8).

- At a package level, determining a package price discloses that primary and secondary items may have various updateable and/or derivable values, including basic price, cost, price reduction percentage, adjusted price, discounts and others. Factors that may be used to arrive at an item's price alone or in combination with other items may be found in at least Col. 6, line 58-Col. 8, line 34. Thus, a package price may be less than the sum of the individual items and may also have discounts on various combinations of items.
- Discount programs, at item and/or package level, may be based on promotions, incentives, time-intervals, related items, in-store sales, coupon-based, frequent-buyer programs, quantity-related (see at least Col. 7, lines 17-23; See also references to calculating a total price, at least in Col. 12, lines 43-55; total package price calculation may include additional charges such as shipping charges, taxes, and related discounts. Merchants may change pricing and applicability information and notify customers accordingly (see also at least references to narrowcast advertising targeted at customers, Col. 12, lines 27-55; see also advertisements targeted to the public at large, Col. 20, lines 21-64).

Customers may accept the offered package, pay for them via different types of financial accounts such as credit cards. Items may be delivered (see at least Col. 12, line 28 – Col. 13, line 9).

Chelliah discloses order fulfillment and shipping, Col. 17, lines 23-30). Chelliah discloses that customers may designate one or more locations where they may pick up all or some of the purchased products (see at least Col. 3, lines 56-Col. 4, line 5). Thus, a customer may request shipment to a merchant's address where the customer may pick up the item. Since customers may designate a first merchant as recipient of items, a first merchant may permit a customer to pick up items belonging to a second merchant at first merchant's local store. Chelliah does not disclose having customers pick up each item of a package by visiting the appropriate merchant.

Therefore, it would have been obvious to one of ordinary skill in the art of electronic commerce to permit customers to pick up one or more items of a package by visiting an item's merchant.

One of ordinary skill in the art of electronic commerce would have been motivated to permit customers to pick up one or more items of a package by visiting an item's merchant for the obvious reason that shopping is a delightful, pleasurable activity and merchants may wish to promote sales at local stores by inviting customers to visit.

It is well known that retail stores, such as Macy's, design their retail stores so that customers are guided from one product area to another; customers may purchase last minute items or items that were not available on-line. A customer may visit a merchant

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to pick up cosmetics ordered on-line and may also purchase a dress. Merchants, for their part, may save their portions of shipping costs associated with a sale.

A customer may also wish to combine a visit to a local shopping center with other social occasions such as dinner with a friend. At a local restaurant, the customer might redeem an incentive offered by the restaurant as part of a package.

Chelliah discloses customer order devices, including mall and store kiosks (see at least Col. 9, lines 53-61), and in-store sales as incentives Col. 6, lines 26-57, Col. 7, lines 16-30). While in a merchant's store at a local shopping center, a customer may use a kiosk to access the system and purchase additional items. A customer may do this possibly to take advantage of discounts that are available on-line and in combination with another merchant's products. Using a mall or a store's kiosk, a customer may order items, pay for them and obtain a printed copy of a coded receipt (see at least references to generating, storing and using a receipt for later verification of an order, Figs. 8A, 8B; see at least Col. 17, line 32-Col. 18, line 44). The customer may present the coded receipt to one or more merchants who may verify payment of the package order, and deliver the items, as taught by Chelliah.

Chelliah does not use the term bar code or Point of Sale terminal. Chelliah does not specifically state that a printed receipt may include information in bar code formats. Examiner takes official notice that bar codes and Point of Sales terminals are well known to one of ordinary skill in the art, and that printed receipts and coupons often contain bar-coded information. Such information may include store or item specific information such as store id, item id, receipt or transaction information.

Therefore, it would have been obvious to one of ordinary skill in the art of electronic commerce at the time the invention was made to include Point of Sales terminals and bar codes to present information on a printed receipt.

One of ordinary skill in the art of electronic commerce at the time the invention was made would have been motivated to include Point of Sales and bar codes to present information on a printed receipt for the obvious reason that bar codes make it possible to read information directly into a computer and to transact business in a more efficient manner, including at least avoidance of human error and illegible handwriting.

### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure: Teicher et al, U.S Patent 5,933,813, also directed to an electronic commerce system where one or more products are sold as packages depending on customer interest and item relationship.

DeLorme et al., US Patent 5,948,040, which discloses travel information and planning system. Such travel systems include well-known vacation packages that include discounts on related items.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to James Zurita whose telephone number is 703-605-4966. The examiner can normally be reached on 8:30 am to 5:00 pm, M-F.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on 703-308-1344. The fax phone numbers

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for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

*JZ*  
**James Zurita**  
**Patent Examiner**  
**Art Unit 3625**  
August 11, 2002

*Jeffrey A. Smith*  
**JEFFREY A. SMITH**  
**PRIMARY EXAMINER**